A Learning Alberta

Ensuring Affordability In Alberta's Advanced Education System

A Companion Discussion Document to
Investing In Alberta's Advanced Education System

June 2005

Alberta
ADVANCED EDUCATION

A Learning Alberta

Alberta will be a province where all Albertans have access to higher learning opportunities. It will be a province that aggressively seizes the opportunities of the future by leveraging the skills, talents and imaginations of its citizens. And it will be a province that will enjoy even greater success in the century ahead thanks to a solid foundation and legacy of higher learning that we will create together.

Albertans will be inspired to reach their full potential through advanced learning - to move beyond where they are now to where they can be. But most of all, Alberta will become a true learning province, where advanced education and lifelong learning is the cornerstone of a healthy, prosperous and progressive society.

Dave Hancock, Riverbend Ragg-Times

105-06256/

ALBERTA ADVANCED EDUCATION CATALOGUING IN PUBLICATION DATA

Alberta. Alberta Advanced Education.
Ensuring affordability in Alberta's Advanced Education system.

ISBN 0-7785-3809-5

1. Higher education and state - Alberta . 2. Postsecondary education - Alberta - Aims and objectives. 3. Education - Alberta - Finance. 4. Education, Higher - Alberta. 5. Universities and colleges - Alberta. I. Title.

LC176.2.A3.A333 2005 378.052

For additional copies contact:

Business Policy and Analysis Branch
Alberta Advanced Education
11th Floor, Commerce Place
Edmonton, Alberta
T5J 4L5
Telephone: (780) 427-5603
Fax: (780) 422-3688

To be connected toll-free call 310-0000

Table of Contents

1 Introduction 1
1.1 The *A Learning Alberta* Context 1
1.2 Process and Feedback 1
1.3 Policy Context 2

2 Context and Background Information 3
2.1 Defining Affordability 3
2.2 Principles and Objectives Guiding Learner Investments 3
2.3 Individual and Social Benefits Derived from Higher Learning 5
2.4 Public and Private Contributions to Higher Learning 6
2.5 Components of Affordability 7
2.5.1 Tuition and Fees 7
2.5.2 Loans 8
2.5.3 Scholarships, Grants & Bursaries 9
2.5.4 Student Contributions 10

3 Challenges and Opportunities 10
3.1 Demographic Changes and Enrolment Increases 10
3.2 Alberta's Changing Learner Profile and Increasing Diversity 12
3.3 Role of Affordability in Ensuring Accessibility 13
3.4 Role of Merit Awards and Incentive-based Funding Mechanisms 14
3.5 Impact of Learning Costs on Affordability 15
3.6 Role of Debt Management in Ensuring Affordability 17
3.7 Relationship to Other Government Programs 19
3.8 Enhancing Collaboration 19

4 Key Questions 20

5 Appendixes 22
5.1 Learner Profile and Enrolment Patterns 22
5.2 Student Financial Assistance: Definitions & Standards 23
5.3 Federal and Provincial Loans and Grants 24
5.4 Tuition and Fees 25
5.5 Student Debt 26
5.6 Costs and Resources: 27

1 Introduction

1.1 The *A Learning Alberta* Context

The Minister has initiated a comprehensive review of Alberta's advanced education system. Through *A Learning Alberta*, a new vision and policy outcomes for Alberta's advanced education system will be articulated. The review process provides an opportunity to consider how best to position our system to create a learning society. Pivotal to this review is the key question of how we can ensure opportunities are available for every Albertan to advance their education – to maximize their own potential as well as contribute to society and future generations.

This document provides a context for consideration of key issues related to affordability. Affordability is a foundational pillar of Alberta's advanced education system. The review process will enable us to ensure our student assistance programs and other programs and policies are configured accordingly and reflect the changing needs of the learner.

This paper serves as a companion document to *Investing in Alberta's Advanced Education System*. In viewing through a broad lens both funding to providers and funding to support learners, it is clear that neither can be considered in isolation; they are the primary levers to promote access, affordability and quality – strategic priorities of Advanced Education. Affordability and access are closely linked since student financial assistance provides support to learners facing financial barriers to access. A review of affordability must also consider policies regarding tuition, which not only impact learner costs, but also resources available to public post-secondary institutions and student financial assistance programs. The Alberta government has announced it will pay tuition fee increases for the 2005-06 academic year and has committed to developing a new tuition fee policy to be implemented by Fall 2006.

In addition to access and affordability, quality is also a strategic priority. A highly educated population and superior advanced education system are the foundations of innovation and a knowledge-based economy. Through scholarship programs we are able to reward excellence and attract and retain high quality students. And, through a balanced approach to providing resources to the system and supporting learners, we can enhance our capacity for innovation, position Alberta within a global context, and support our transition to a knowledge economy.

1.2 Process and Feedback

This discussion document focuses on obtaining stakeholder feedback on how to ensure adult learning opportunities are affordable for all Albertans. It reviews our current system of providing funding for learners to support their learning activities and reward excellence. It also begins the process of identifying key issues for consideration. Since

affordability must be considered in the context of overall investment, this document and its companion document on investment are being presented jointly to provide a comprehensive overview.

Together, the responses from these two discussion documents will feed into the *A Learning Alberta* Steering Committee. The Steering Committee was established by the Minister to guide development of a new vision and policy outcomes for Alberta's advanced education system. It is anticipated that a preliminary vision and framework will be presented at the Minister's Forum, scheduled for the Fall of 2005.

Individuals and groups interested in providing comments to this document may submit responses no later than July 30, 2005 to:

Phil Gougeon
Assistant Deputy Minister
Alberta Advanced Education
7th Floor Commerce Place
10155 102nd Street
Edmonton, AB
T5J 4L5

1.3 Policy Context

The Government of Alberta has made clear its commitment to advanced education through its twenty-year strategic plan, *Today's Opportunities, Tomorrow's Promise*. The strategic plan recognizes *Leading in Learning* and *Unleashing Innovation* as key pillars for Alberta's future growth and prosperity, necessitating a fundamental role for the advanced education system. Under Bill 1, the *Access to the Future Act*, Alberta is establishing a foundation to guide advanced education into the new millennium. The new *Access to the Future* fund will work to increase funding for students and providers of learning opportunities with an objective of expanding access by 60,000 learning opportunities by 2020.

Our ability to increase participation on a bold scale will, in large part, depend upon our ability to increase participation among disadvantaged Albertans, including Aboriginal people, rural populations, the disabled, and others. This depends upon much more than investment – it depends on our ability to work collaboratively with the entire system to create a learning society and inspire all Albertans with the importance of higher learning. The Alberta government's *Rural Development Strategy* also recognizes that higher levels of participation and educational attainment levels in rural areas are fundamental to increasing the capacity of communities to engage in successful social, economic, and community development.

Clearly, it is through the investment and strategies that we establish today that will create a learning society that sets Alberta apart. We have an obligation to future generations to build that foundation to ensure that all Albertans can maximize their full potential and give back to their communities.

2 Context and Background Information

2.1 Defining Affordability

Affordability is multi-dimensional. To some, affordability is viewed in the context of the current level of tuition fees, and potentially other costs incurred as part of the learning process. Some may even consider opportunity costs, since each year spent learning results in foregone earnings. And yet, to others, affordability is viewed in a context of all costs incurred as well as the future benefits to be gained through an advanced education. To broaden this perspective even further, affordability is not just about costs and benefits, but it is also about resources that are available to individuals to support learning. Therefore, any consideration of affordability must consider the full range of financial support available, including student financial assistance, funding to reward excellence and promote quality, income earned by learners, and family contributions. Ensuring affordability must also take into consideration the individual and public perceptions of advanced education. The belief that the costs of advanced education are not worth the benefit and unwillingness to incur debt to meet expenditures ultimately present barriers to access. An affordable advanced education could be defined as one where:

> *Learners have high awareness of the benefits of learning, students have the financial means to access learning opportunities, and pursing advanced education does not create prohibitive financial inconveniences either throughout the duration of studies or while repaying student debt.*

2.2 Principles and Objectives Guiding Learner Investments

In considering future trends and issues pertaining to affordability, as well as potential changes to programs and policies to support affordability, it is important to consider the principles, objectives and desired policy outcomes to help frame the discussion. Alberta's student financial assistance and programs supporting learners are guided by several core principles. They reflect Albertans' value for individual self-reliance while at the same time recognizing the benefits of higher educational attainment to both individuals and society. Programs and policies must also consider broader objectives and outcomes for the advanced education system. The review provides an opportunity to confirm the guiding principles and policy objectives required to create a learning society in Alberta. We seek your feedback on the following draft principles and objectives.

Accessibility: all Albertans who are inspired to pursue advanced education have the support they require. Needs-based student financial assistance is available to ensure cost is not a barrier to access for those without financial means.

Informed choice: respect for students' choices of programs, credentials, and institutions is embedded within Alberta's advanced education system and affordability programs. Individuals will invest time and effort to ensure they are making the best decisions about their education. Policies and programs will facilitate informed choice for students and appropriately protect both students and taxpayers.

Cost-sharing: since both students and the broader society benefit from higher learning, costs are shared appropriately. This principle underlies tuition fee policies, with Alberta students paying approximately one-third of the cost of providing advanced education. This principle also underlies Alberta's student financial assistance programs under which students and/or their parents are expected to contribute to costs.

Shared-responsibility: support for learners reflects a principle of shared responsibility among students/families, institutions, and government. Students and/or their families are responsible for academic/career planning and making informed choices. Students are expected to meet educational obligations such as attendance, completion, and achievement. Institutions and government share responsibility to ensure access to affordable, high quality educational programs.

Manageable debt: students do not graduate with unreasonable debt levels. While students are responsible for repaying debt, debt levels at graduation are manageable, borrowers have the capacity to repay their debt, and debt levels and repayment do not create undue hardship.

Rewarding excellence: Alberta's programs supporting learners also place a high value on achieving quality results. Merit-based scholarships are an example of investments in quality by rewarding excellent performance. Incentive-based funding also promotes quality by attracting high quality learners and researchers to Alberta institutions.

Responsiveness: student financial assistance and affordability supports will evolve to meet the changing needs of learners and respond to a diverse student population.

Predictable and Sustainable: programs are simplified wherever possible to ensure learners have effective access to student financial assistance. This requires that programs, policies and decisions are understandable to learners, and effective and timely communication is provided.

Flexibility: Alberta's affordability programs do not operate in isolation from other social and economic public policy activities. Policies and programs in different provincial departments and other jurisdictions should complement and support each other. Affordability programs will respond to a wide and growing range of learner needs and ensure a level of equity across different populations.

Accountability: learner investments and affordability policies ensure accountability to taxpayers by providing incentives for achieving policy objectives and desired outcomes, as well as improvements in system performance.

2.3 Individual and Social Benefits Derived from Higher Learning

In the broadest sense, affordability needs to be viewed in a larger context that reflects individual as well as societal costs and benefits. Over the long-term, learners with advanced education derive substantial financial benefits through lower levels of unemployment and higher earnings. Estimates indicate that graduates with an undergraduate university degree earn annual salaries approximately 55% more than those with only high school. In Alberta, lower taxes result in the highest net incomes and standard of living in the country for graduates across all educational attainment levels. Individuals with higher education experience an increase in their quality of life, evident through such indicators as better health outcomes, life expectancy, and job satisfaction. Individuals with higher educational levels also have a greater appreciation for the importance of advanced education and have a greater likelihood of engaging in further studies, career-related training, and personal interest learning. Engaging in a first program of study is often the first step on the route to lifelong learning.

These individual benefits ultimately have positive impacts across the broader society through a healthier population, reduced crime rates, and less reliance on publicly funded income supports. Studies have also shown that an educated population demonstrates higher levels of civic engagement and volunteerism that builds critical social capital and improves social cohesion. Higher educational attainment also enhances our capacity for innovation, productivity, and transition to a knowledge-based economy.

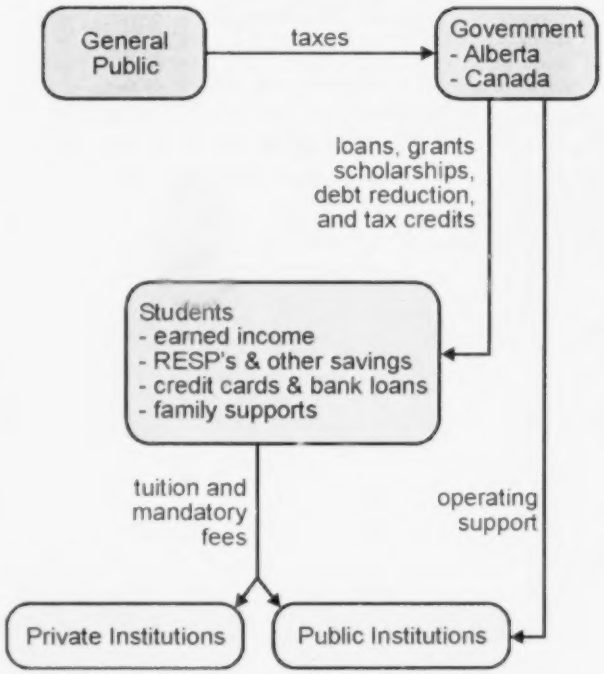
However, not all Albertans have sufficient awareness of the benefits of advanced education and many face significant barriers to access. Barriers experienced by disadvantaged Albertans are complex and multifaceted. Rural Albertans, Aboriginal people, the disabled, and those from disadvantaged socio-economic backgrounds have lower post-secondary participation and educational attainment outcomes than other Albertans. While proximity to learning opportunities is an important factor, most studies confirm that parental education and income are the most crucial factors in determining whether potential learners access advanced education. Parents with higher levels of educational attainment have higher expectations for their child's academic success, a heightened understanding of the educational system, and more awareness of benefits and opportunities.

Increasing access and affordability of advanced education in Alberta will result in successfully raising participation rates and educational attainment levels. Along with lifetime benefits to individuals and the broader society, positive impacts will accrue to subsequent generations as more Albertans build greater understanding and awareness of the benefits of higher learning. It is this long-term, generational-effect that will ultimately create a learning society in Alberta.

2.4 Public and Private Contributions to Higher Learning

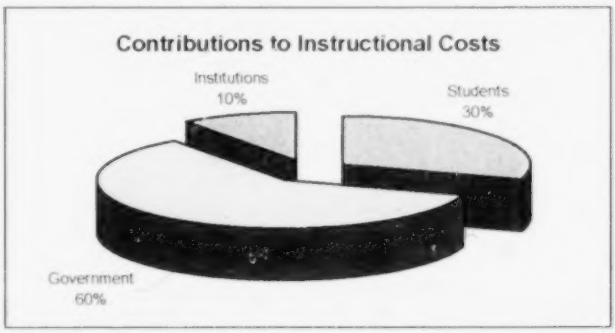
In Alberta, a foundation principle guiding affordability reflects the understanding that both individual students and the broader society derive benefits from advanced education; consequently, the costs of providing higher learning should also be shared. This principle is shared by many other jurisdictions internationally, and within Canada. Broadly considered, cost-sharing reflects the provision of taxpayer support in the form of grants to publicly funded institutions and taxpayer support that is inherent in publicly funded student assistance programs: loans, grants, bursaries, scholarships, and debt reduction. Cost-sharing also reflects the contribution that is made by individuals through tuition, parental and family support. How cost-sharing takes place and the degree to which learners have their education publicly subsidized varies across jurisdictions.

This diagram illustrates the flow of investments to learners and the provision of advanced education in Alberta. Investments and supports are derived from multiple sources including public funding derived from taxpayers, and the private sector represented by community organizations, professional groups, and industries and employers. Contributions are also derived from learners and/or their families through earned income, registered educational savings plans and other savings, credit cards and bank loans, and other financial resources.



In Alberta, public financial support flow to post-secondary institutions through operating support as well as through the proportion of students receiving student financial assistance. Learners, who receive support from a variety of sources, ultimately contribute to the costs of instruction through tuition and other mandatory fees.

When we review the cost of providing advanced education in Alberta, not including living and miscellaneous costs, we find that students pay approximately 30% through tuition and other fees. Alberta taxpayers fund approximately 60% of the total costs.



through operating support grants to post-secondary institutions, funding for literacy and community-based programs, and student financial assistance. Student financial assistance includes loans, scholarships, and grants provided to eligible students during their study period. It also includes debt reduction at the time of graduation and other measures to assist graduates experiencing repayment difficulties. Post-secondary institutions also contribute to the costs of providing advanced educational opportunities, approximately 10%, through ancillary revenues and other miscellaneous sources. Students and/or their families also derive financial subsidies through federal and provincial tax credits for tuition and living costs. Alberta currently offers among the most generous education tax credits in Canada.

Needs-based students receiving financial assistance are further subsidized. Approximately half of Alberta students receive federal and provincial government student loans to cover tuition and living costs. Subsidies arise from the interest-free status on student loans, as well as through grants, loan reduction after graduation, and assistance provided to those experiencing repayment difficulty. According to Advanced Education's Graduate Outcomes Survey, an additional 25% of graduates who did not receive student loans reported receiving support through scholarships and bursaries to assist them in covering education expenses.

Providing needs-based financial resources is a vehicle to ensure that all those who are motivated and qualified are able to access advanced education; not just higher income learners with financial means. Providing funding through loans means that more students can be provided with more funding over a longer period of time. At the same time, providing grant funding to support learners also has a role to play. Like loans, grants ensure that learners have an adequate level of funding while in school. Grants also have an important role to play to ensure that students graduate with manageable debt, and they can be effective when targeted to individuals with very high need or those from low income or disadvantaged backgrounds. Many of these individuals are debt averse and have lower levels of awareness of the costs and benefits of advanced education. Targeted grants may have a significant role to play in meeting policy outcomes relating to increased participation rates.

2.5 Components of Affordability

2.5.1 Tuition and Fees

From the 1980s, when tuition remained fairly level, tuition across Canada increased from approximately $1,800 (in 2003 dollars) to approximately $4,200 in 2004. Over the last decade, Alberta's average undergraduate tuition increased 94% from $2,475 (approximately $4,100 in 2004 dollars) to $4,805. Alberta's tuition increases over the past ten years have mirrored trends in most other provinces. Nationally, tuition increased by close to 88% from 1994-95 to 2004-05. The national average continues to be influenced by Quebec, where tuition fees are significantly more subsidized than anywhere else in Canada. (See Appendix 5.4).

Alberta's weighted average undergraduate tuition fees have remained in the middle of Canadian provinces over the last decade. Alberta's tuition currently stands as the fourth highest in Canada after Nova Scotia ($5,984), Ontario ($4,960) and Saskatchewan ($4,894). Aside from Quebec, only Manitoba and Newfoundland have tuition fees that are more than 10% lower than Alberta's.

2004-05 Average Undergraduate Tuition Fee

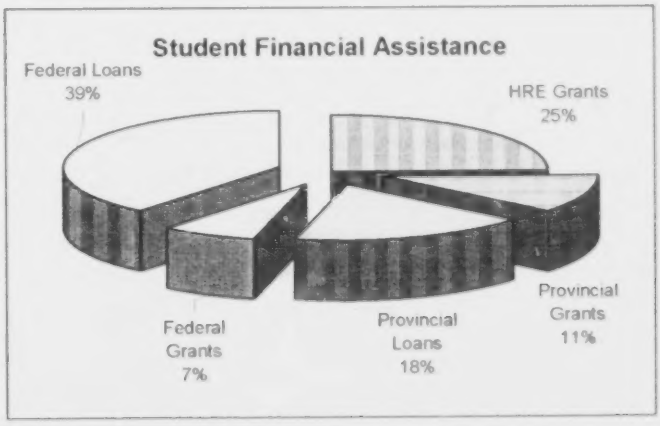
	2003/04	2004/05	% Change	Rank
Newfoundland	2,606	2,606	0.0	9
Prince Edward Island	4,133	4,374	5.8	7
Nova Scotia	5,556	5,984	7.7	1
New Brunswick	4,457	4,719	5.9	6
Quebec	1,865	1,890	1.3	10
Ontario	4,911	4,960	1.0	2
Manitoba	3,155	3,160	0.1	8
Saskatchewan	4,644	4,894	5.4	3
Alberta	4,511	4,804	6.5	4
British Columbia	4,098	4,735	15.6	5
Canada	4,018	4,172	3.9	

Several provinces, including Alberta, have moved to differential fees for professional programs. These programs more costly to deliver, and graduates, through higher earnings, have greater capacity to repay debt. Based on 2004-05 data, Alberta's average tuition fees for law and medicine remain among the lowest in Canada.

Mandatory student fees also contribute to education-related costs for Alberta's post-secondary students. Institutions often charge students compulsory fees to cover expenditures for student athletics or health services. In relation to other provinces, Alberta has had the lowest increases since 1999-00 and Alberta students continue to pay compulsory fees that are among the lowest in Canada. Only Newfoundland, Nova Scotia and New Brunswick have compulsory fees that are lower than Alberta's.

2.5.2 Loans

For learners facing cost constraints, student financial assistance programs are available (See Appendix 5.3 for descriptions of federal and provincial loans and grants).



Student loan programs are structured so that students receiving student loans receive both federal and provincial funding. Canadian student loans are not available to support learners in upgrading programs, nor to students enrolled in programs less than 12 weeks in duration. However, Alberta Advanced Education does support learners in these programs with a mix of loans and grants.

The provision of student loans in Alberta is a complex process. The province of Alberta currently provides assessments for both federal and provincial loans through a single application, although students are ultimately responsible for two separate loans.

In 2004-05, over 44,500 learners in Alberta received a combination of federal and/or provincial student loans and grants. During the same period, funding was also provided to over 16,500 clients of Alberta Human Resources and Employment (AHRE). Loans dispersed in 2004-05 totaled $296.8 million dollars. When both federal and provincial grants are included, including AHRE grants, the total amount climbs to $522.5 million. Since 1997-98, Alberta has increased the proportion of Student Financial Assistance provided through grants by close to 20 percentage points. As a consequence, the provincial proportion provided through repayable loans has decreased. (See Appendix 5.6, Table 5).

2.5.3 Scholarships, Grants & Bursaries

Many grants and bursaries are offered to students to enhance affordability, address financial need, and ensure manageable debt. Unlike student loans, and grants and bursaries offered through Student Financial Assistance, merit-based awards do not consider financial need or family income as criteria for eligibility. The federal and provincial governments also administer many publicly funded grants and bursaries that address financial need and enhance affordability for targeted groups, such as disabled learners and learners with dependents.

Alberta offers a broad array of merit-based scholarships to reward high academic achievers from high school through to doctoral students. Numerous scholarships, such as the Rutherford Scholarships, are funded through the Alberta Heritage Scholarship Fund. The Heritage Scholarship Fund was established in 1981 through a $100 million endowment from the Alberta Heritage Savings Trust Fund. Since its inception, the fund has awarded more than $300 million to over 190,000 recipients. The *Access to the Future Act* will increase the value of this fund by $1 billion over time. Overall, Alberta's scholarship programs distributed a total of $40.5 million to learners in 2004-05. (See Appendix 5.6, Table 4). A vast number of other merit-based scholarships, grants, and bursaries are also offered through post-secondary institutions, community organizations, and the private sector.

2.5.4 Student Contributions

Students and /or their families contribute to post-secondary education costs through tuition and mandatory fees, as well as living expenses. Student resources include pre-study savings and income earned during study. (See Appendix 5.2 for Student Financial Assistance definitions). According to Labour Force Surveys, between 65-68% of Canadian students work during the summer months (just under 80% in Alberta) with median incomes of $3,200. Income earned during the academic year is also a growing source of income for a large number of students. Close to 70% of Alberta graduates reported working while pursuing advanced education. A report by the Canadian Millennium Foundation suggests that 60% of students worked during the academic year because they needed the money to pay bills, with almost one-third wanting extra disposable income. Other surveys of university students report a range from 54% to 81% of students receiving some form of assistance from their families. Parental contribution levels are strongly influenced by age and living situation. Younger learners and learners living with their parents or spouses have much higher incidences of family support than independent students.

3 Challenges and Opportunities

The challenges and opportunities identified below have significant implications for ensuring Alberta's advanced education system remains affordable and accessible for all learners. They include future challenges arising from demographic shifts, current and future impacts of costs on debt levels, and the need to balance affordability, accessibility, and quality in Alberta's advanced education system.

3.1 Demographic Changes and Enrolment Increases

Overall, Alberta has a high level of participation among the largest segments of the population likely to transition to post-secondary education. Programs such as the Rutherford Scholarships, which rewards high school students for academic achievement, are enormously successful at encouraging early transitions. Advanced Education statistics show that 88% of Rutherford scholarship recipients pursue advanced education before reaching the age of 20 with the vast majority enrolled in university-level studies.

However, government's commitment to expand the adult learning system by 60,000 learning opportunities presents some considerable challenges. Enrolment increases over the past several years have been largely driven by an increase in the population of 18-24 year olds, the cohort most likely to access post-secondary education. Alberta has also benefited from high inter-provincial in-migration that has fueled both enrolment increases as well as responded to labour market needs. However, by 2009 the 18-24 age cohort, commonly referred to as the Echo Generation, is expected to decline. By 2020, this group is expected to number 320,630, 10,570 less than in 2003. At the same time, inter-provincial migration is also expected to level off.

Clearly, Alberta can no longer afford to rely on these sources alone to enhance educational attainment or meet labour market needs. Enrolment increases after 2009 will be almost entirely reliant upon our ability to increase participation rates, particularly among groups under-represented in the learning system: Aboriginal people, rural populations, people from low-income families, the disabled, and males. Although a vast majority of high school students report their intention to pursue advanced education, Alberta's transition rate measure indicates just over half of Grade 10 students enter post-secondary studies within six years. Factors relating to delay and/or non-participation are those most closely associated with Aboriginal, rural and low-income populations. These factors include low parental educational levels and lack of higher learning aspirations for their children, a lack of peer influence, low academic achievement or lack of foundational skills, and lower levels of social engagement in high school.

Aboriginal populations have been identified as under-represented in Alberta's advanced education system. The Aboriginal population has significantly lower educational levels than non-Aboriginals and are among the fastest growing population in Alberta – growing at a rate three times faster than the non-Aboriginal population. Also worthy of notice is the fact that 52% of Aboriginal people are below age 25. Although Aboriginal people are increasingly moving into urban areas, they are also disproportionately represented in northern rural regions. Reaching out to potential Aboriginal learners will require attention in Alberta's urban centres as well as isolated northern communities.

Rural populations do not fare well in relation to their urban counterparts on measures of educational attainment. Only 46% of rural Albertans complete some form of post-secondary education compared to 61% of urban Albertans. Rural learners tend to engage in one and two year programs at rural colleges and are less likely to attend university. Those that do relocate to urban centres to pursue university education tend not to return, diminishing the level of human and social capital in rural communities.

Gaps in educational attainment also appear for those with a disability. Statistics Canada data points to only 36% of people with a disability receiving a post-secondary education compared to 51% of the general population. It is estimated that one in six Albertans live with a disability that impacts their ability to fully participate in learning and work. Barriers experienced by disabled people include lower aspirations and qualifications for advanced education, physical access to infrastructure, limited funding supports, and a lack of support programs such as counselling, intervention, and advocacy.

Alberta faces tough challenges presented by a decline in the 18-24 population and a slowing of inter-provincial migration. As other jurisdictions are also expected to face a declining Echo population, increased competition for highly qualified learners and skilled workers is likely to increase. To meet government objectives to expand learning

opportunities, Alberta will need to increase the participation rates of under-represented groups. However, targeting these groups will require greater investment and more aggressive strategies.

Questions for Consideration:

1. What types of strategies might Alberta consider to increase participation rates among groups under-represented in the advanced learning system?
2. Given the complexity of barriers, how might student financial assistance and other affordability programs be aligned with other types of programs to reduce barriers?
3. What might be the roles of government, post-secondary institutions, the K-12 educational system, and communities in addressing participation barriers?

3.2 Alberta's Changing Learner Profile and Increasing Diversity

Typical students are often perceived as under the age of 24, supported by their families, and attending a post-secondary institution on a full-time basis. The reality is that a high number of learners no longer fit this profile. Part-time learners constitute almost 40% of all credit-based enrolments. Learners over the age of 25 comprise close to 45% of all students enrolled in credit-based programs. (See Appendix 5.1). Older learners drive enrolments in upgrading, skills development, and certificate programs, but are also heavily represented in graduate level degrees. Also related to an older student profile is the growing number of students who are married and/or have children. Almost one-fifth of Alberta graduates reported they had dependents at the start of their post-secondary education and 22% were married or previously married.

An increasing gender gap is also evident within Alberta's adult learning system, with females constituting 55% of all full-time equivalent enrolments. Generally, the gap is marginal for full-time enrolments, but women significantly outweigh men in part-time studies. Females are also outpacing males in terms of enrolment increases for most program types, except Masters and Diploma. However, males still tend to dominate the sciences and engineering while females dominate social sciences and humanities. Advanced Education's Graduate Outcomes Survey revealed that approximately 68% of math and natural science graduates were males. Males are also more heavily represented within Alberta's technical institutes, and in trades and apprenticeship programs.

When enrolments are considered along rural-urban dimensions, we find different enrolment patterns emerging. While enrolments across Alberta have been increasing, the proportion of rural learners is declining, now comprising approximately 14% of all enrolments compared to 17% in 1993-94. Some rural colleges have experienced sharp enrolment increases (50% over the last five years), while others experienced a decrease. A notable trend at rural colleges is the growing importance of part-time learning opportunities. Part time enrolments at rural colleges have grown by almost 74%. In

contrast, part-time enrolments at urban colleges have decreased by almost 2%. While rural learners are increasingly taking advantage of part-time learning opportunities, it is not clear whether this is based on preference or need.

As a consequence of the increasing diversity of learners, the paths taken into and through the adult learning system are also becoming increasingly complex and less linear. Learners have a greater tendency to interrupt studies for work or family reasons. They also tend to migrate among different programs, and often transfer to different institutions. Learners are also now more likely to be found engaging in both traditional classroom learning and e-learning or distance learning at the same time.

As a consequence of increasing diversity of learners and learner pathways, demands are rising for more flexible student financial assistance and affordability programs. For example, scholarships and bursaries that only target youth are unavailable to older learners. And, the rising importance of part-time learning opportunities, particularly in rural areas, may contribute to a need to reconfigure part-time student financial assistance programs.

Questions for Consideration:

1. Given the increasing diversity among learners and learner pathways, are the principles guiding student financial assistance and affordability appropriate? Are there other principles that Alberta should consider adopting?
2. In what ways can Alberta's programs providing support to learners be better configured to respond to learner diversity and needs?

3.3 Role of Affordability in Ensuring Accessibility

By removing financial barriers, student financial assistance is a key lever by which to ensure accessibility. Alberta's enrolment increases suggest that higher costs have not negatively impacted students' ability to access educational opportunities, at least for a majority of students. Students responding to Statistics Canada surveys reported that financial barriers are only one of several factors influencing participation decisions. However, it is clear that a participation gap exists between high and low income students, which suggests other factors are at play. In 2001, 20% of Canadian youth from the lowest income families participated in university studies, compared to 46% of those from higher income families. Similar participation and attainment gaps appear among Aboriginal and rural populations in Alberta.

Some research suggests that affordability strategies such as reduced or marginal tuition or tax credits may benefit those that are already participating in learning opportunities, and are less effective in altering perceptions of price constraints or debt adversity among low

income and other disadvantaged populations.[1] In some cases, these types of policies improve the affordability of advanced education for high-income learners and their families who have the financial means to pay for learning opportunities. In other words, such strategies are unlikely to appreciably enhance access.

Alberta's needs-based funding programs have successfully assisted thousands of learners to access advanced education opportunities. However, Alberta's future success at reaching out to under-represented groups may require a more comprehensive approach. Outreach or mentoring programs are critical to inspire and motivate disadvantaged groups and have an important role in creating a learning society. Other programs may be necessary to raise awareness of the benefits and the diversity of opportunities, overcome debt adversity, and adjust cost expectations. New technology and modes of program delivery are fundamental to bringing a broader array of programs to rural and isolated areas. And, further consideration is necessary to address the different financial needs experienced by a diversity of learners such as older learners, students with children, disabled populations, skilled immigrants, Aboriginal students, and part-time students.

Questions for Consideration:

1. Given what we know about demographic shifts and the need to respond to those under-represented in Alberta's adult learning system, what opportunities do targeted affordability strategies present to increase accessibility?
2. How might Alberta ensure that mechanisms to increase access are balanced with strategies to ensure manageable debt levels?

3.4 Role of Merit Awards and Incentive-based Funding Mechanisms

Affordability mechanisms used to increase access must be balanced with the need to ensure Alberta's adult education system continues to support quality. The 2005-08 Advanced Education Business Plan identifies both quality and innovation as strategic priorities. Quality is often measured by effective program completions and credentials awarded, graduate satisfaction and employment outcomes, and enhanced innovation and research outcomes.

Merit-based awards also serve as a primary form of investment in learner quality. Merit-based scholarships, bursaries and grants are used to reward excellence, inspire academic achievers to pursue advanced education, and attract high quality students to Alberta for learning or research opportunities. With the decline in the 18-24 age cohort across Canada and globally, competition for the best students and researchers is expected to increase significantly. It will be critical to enhance our capacity to retain and attract high quality students to live, study, and work in Alberta.

---

[1] Finnie, R., Usher, A., & Vossensteyn, H., "Meeting the Need: A New Architecture for Canada's Student Financial Aid System," in Policy Matters, Institute for Research on Public Policy, Vol. 5 (7) (August 2004). See also, Vossensteyn, H., "Subsidizing Students, Families or Graduates?," Centre for Higher Education Policy Studies, Presentation to CMEC-OECD Canada Seminar on Student Financial Assistance.

Examples of incentive-based funding include providing grants or scholarships to entice high academic achievers from other provinces or other countries to study in Alberta, potentially in areas that will enhance Alberta's strategic advantage or where there are labour market shortages. Goals to increase the level of research and development in Alberta may be achieved by offering financial incentives to attract highly qualified researchers at the graduate level. Other examples include using incentive-based funding to attract learners into training and education programs relating to high demand occupations, or to encourage timely completion.

Incentive-based funding could also be used to attract graduates to rural areas. In Alberta's Rural Development Strategy, it is recognized that rural learners who leave their home communities to study at urban institutions rarely return, which contributes to a decline in human and social capital. This lessens the capacity of rural communities to engage in successful social, economic, and community development necessary to create vibrant and sustainable regions. Rural medical bursaries and return to service agreements present an example of funding arrangements that attract and retain highly educated and skilled individuals to Alberta's rural regions. Opportunities may exist to expand these types of funding arrangements across a broader range of programs and occupations.

Aside from rewards for academic achievement, merit-based awards may also include rewarding students for community service or volunteerism. Such programs assist students in meeting educational costs, provide learners with exposure to different occupations and work environments, contribute to practical training and hands-on experience, and build social capital at the community level.

Questions for Consideration:

1. While incentive-base funding presents opportunities to achieve important quality objectives for the learning system, a move away from needs-based funding represents a considerable shift. How can Advanced Education effectively use incentive-based funding to ensure quality outcomes for learners and the adult learning system?

3.5 Impact of Learning Costs on Affordability

Rising tuition fees receive considerable attention in debates over post-secondary affordability. Although tuition is often the first expenditure considered, research indicates that it represents less than one-quarter of total education-related costs. Living costs such as accommodation, food and transit costs comprise a much higher portion of expenditures – 38% (See Appendix 5.6, Table 1). These expenditures are considerably less for students able to live at home, but for independent students or students living away from home, these expenditures may present a significant financial burden.

Students receiving Alberta Student Financial Assistance receive a living allowance based on a moderate standard of living. (See Appendix 5.2 for description). Living costs reviewed in 2004-05 found that average estimated shelter costs for a single student living

away from home was $405 based on shared accommodation. This is comparable to data from the *2001-02 Student Income Expenditure Survey (SIES)*, which found that Canadian students living with roommates paid approximately $460 per month for housing. However, Alberta's living allowance currently provides students with only $325 to cover shelter costs. Alberta's living allowance also covers $370 for food and miscellaneous costs, slightly less than the $406 assessed as current costs. It is notable that the SIES found that Canadian students living away from home spent an average of $244 per month for food costs, $148 for general household expenditures, $98 per month for clothing, and $68 for personal care. This translates into an amount close to $190 more than what is assessed as reasonable costs.

Also complicating the issue of living costs is the rising diversity of learners. Although different allowance levels are set for married students and learners with dependents, and learners have access to an appeal process that considers unique circumstances, assistance programs could potentially be made more responsive to individual situations. In reality, living costs vary according to the wide range of living situations experienced by the diversity of students. Across Canada, statistics show that only 50% of students live with their parents, 20% live in shared accommodation, 14% are married, and 12% live alone or with dependents. Approximately 8% of undergraduate students and 17% of college students have dependents. For students with young dependents, the costs and availability of high quality childcare can also present a serious financial obstacle. Alberta Student Financial Assistance covers $75 per month per child, with additional subsidies available from Alberta Children and Family Services for eligible students.

As a consequence of increasing learner diversity, demands are rising for better recognition of individual circumstances along with higher expectations for living standards. Many young learners prefer not to live with their parents, and mature students do not want to live in student residences or share accommodation. Learners, particularly in rural areas, often require a vehicle and cannot rely on public transportation.

Supplies, equipment, and particularly textbooks also contribute to learners' overall costs. A Canadian Millennium Foundation study found that students spend an average of $85-$100 per course on textbooks depending on field of study. Over the course of a full academic year, this can accumulate to $850-$1000 per year. Students are sometimes able to reduce this amount by purchasing used books or borrowing from the library. But, in other cases, purchasing required texts is the only option. Mandatory supplies and equipment also contribute to total educational costs. Depending on the field of study, mandatory supplies and equipment can reach up to $8,000 per year, as in the case of medical students. These types of expenditures are not limited to science-based programs with learners in fine arts and film studies paying an average of $6,000 maximum for additional supplies on an annual basis.

New financial demands presented by technological advances also contribute to higher educational costs. Today's learners demand access to laptops, high quality computer software, and high-speed internet connections. Alberta's current student financial aid policy does not recognize computer leases or purchases as allowable expenditures, although many post-secondary programs require students to purchase or lease computer equipment or software. The Canada Student Loan Program allows a maximum of $300 to cover computers and computer related expenses.

Student attempts to cover unmet need relating to these expenditures is often correlated with higher levels of private debt (credit cards or lines of credit) and students working more hours during the academic year. While governments are less able to control learning costs, it is possible to provide higher levels of student financial assistance as a solution to unmet need. As a consequence, however, this may result in higher debt levels. Providing additional funding also does not address the question of what types of expenditures and level of spending is appropriate and should be covered by public funding.

Questions for Consideration:

1. What is the most appropriate way to define a moderate standard of living for learners? How might definitions for a "moderate" standard of living be balanced with higher expectations for living standards and the increasing diversity of learners?
2. What is the balance between meeting new and rising costs for learners and the need to ensure manageable debt levels?

3.6 Role of Debt Management in Ensuring Affordability

Identifying issues related to affordability also necessitates consideration of student debt levels and debt management measures after graduation. Many student financial assistance programs focus on front-end affordability mechanisms – ensuring students have the resources they need while in school to meet expenditures. Affordability also necessitates ensuring a manageable level of debt beyond graduation.

Through an emphasis on providing both up-front grants and debt reduction at the end of studies, Alberta has been highly successful in ensuring lower debt levels upon graduation. Alberta has historically based its debt reduction policy on a principle that students should not graduate with debts higher than $5,000 per academic year. As a result, Alberta students graduate with among the lowest debt levels in the country. However, the lack of similar federal policies dealing with debt manageability means that Alberta has limited influence on the overall student debt level. On average, the proportion of debt owing to the province constitutes an average of one-fifth of student total debt with the remainder associated with federal loans. Since Alberta's debt reduction does not apply to Canada Student Loan debt, and with federal loan limits rising in 2004-05, the maximum debt standard will rise to $7,140 per academic year.

Data on total student debt is also relatively limited. The duality of federal and provincial loans programs means combined data is not readily available and is only limited to government sources of debt. Students' reliance on private sources of debt – credit cards and lines of credit – to meet unmet financial need contribute to rising overall debt levels and are a source of growing concern. The best source of data, from the National Graduate Survey (NGS), is self-reported and four years out of date by the time it is released. The NGS results do suggest that while incidences of debt are remaining stable (around 50%), debt levels are rising. Estimates of student debt indicate a rise in debt levels of 81% between 1990 and 2001. While debt levels vary depending on program and duration of study, most studies report average debt levels around $20,000 for university undergraduates (See Appendix 5.5). Graduates completing second and third degrees and graduates in professional programs report higher debt levels, while college graduates report lower levels. Higher debt levels are also reported for Aboriginals, disabled, and graduates with dependents.

A consideration of debt levels alone does not reflect graduates' ability to repay. Although medical and dental students graduate with among the highest debts, they also earn among the highest salaries and few report difficulties repaying student debts. Depending on credential type, anywhere from 20 to 35% of graduates report repayment difficulties. Federal and provincial programs to assist graduates experiencing repayment difficulties are limited by complicated eligibility requirements, and payment amounts are not closely linked to income as a measure of ability to pay.

Although affordability is linked to manageable debt levels, there is no agreed upon definition of "manageable debt". Within the private sector, debt management is viewed in the context of the ratio of debt or debt payment to earnings. Potentially, some consideration may be required to align debt management policies accordingly. Also, while Alberta has taken significant steps to ensure debt manageability, through debt reduction, the lack of similar federal programs means Alberta now has a reducing influence over aggregate debt levels. At the same time, public attention paid to student debt levels is fairly high, possibly fueling negative perceptions about the affordability of advanced education. While the full impact is unknown, some research suggests that debt levels may have serious implications on graduates' life choices in terms of career paths, home purchases, having children, and savings for retirement or their children's post-secondary education.

Questions for Consideration:

1. What might be an appropriate definition of manageable debt that can guide student financial assistance programs for the next decade?
2. What might be the potential impact on affordability and accessibility of linking debt levels to ability to pay?

3.7 Relationship to Other Government Programs

Currently, Alberta learners are supported by a broad array of programs offered by both provincial and federal programs. Alberta Advanced Education provides student financial assistance to eligible learners while Alberta Human Resources and Employment supports Alberta Works clients. The federal government, under HRSDC, funds the Canadian Student Loans Program as well as skills training through Employment Insurance programs. Programs offered through Canadian Citizenship and Immigration and community organizations such as the Edmonton Mennonite Centre for Newcomers support bridging programs for skilled immigrants. Aboriginal learners may be supported both federally through Indian and Northern Affairs Canada and provincially.

The complexity of programs and supports creates a challenge for many learners, some of whom are supported by more than one government, department, or funding program. As well, the diversity of programs leads to difficulty ensuring alignment in terms of eligibility and funding amounts. For example, the federal government does not support learners in upgrading programs or programs less than 12 weeks in duration, while the Alberta government does offer support for those learners. As a consequence of this complexity, strategies to achieve policy outcomes may not be optimized.

Questions for Consideration:

1. What opportunities are available to Alberta to improve access and affordability, given the relationship to federal student financial assistance programs?
2. How might Alberta better align programs and policies among provincial departments and agencies to improve access to learning opportunities?

3.8 Enhancing Collaboration

As previously discussed, Alberta's objectives to expand the adult learning system by 60,000 new learning opportunities will lead to greater involvement of under-represented groups. Achieving this goal will necessitate greater coordination among government departments and enhanced involvement of community organizations that already play an import role in the lives of disadvantaged populations. Enhanced collaboration with communities presents an opportunity to respond more effectively to the needs and preferences of disadvantaged populations. Collaboration also serves to increase social capital at the community level by ensuring that communities are engaged in achieving learning outcomes.

Raising awareness of the benefits and opportunities of advanced education is one example where enhanced collaboration can bring significant positive impacts. Building awareness at an early stage in life has been identified as an important strategy to increasing participation rates. This may be achieved through greater collaboration between the K-12 educational system, post-secondary institutions, community organizations, and government. For example, some jurisdictions have established comprehensive dual credit programs that allow high school learners to access post-

secondary programs at the same time as completing their graduation requirements. Such programs provide exposure to adult learning opportunities and ease the transition between high school and advanced education. As well, schools and community organizations can potentially play a key role in identifying at-risk students, as well as those that are under-represented, that have the potential to succeed within the advanced education system.

Ensuring affordability may also offer a greater role on the part of private businesses, industrial sectors, and professional organizations. Opportunities may exist to implement matching fund scholarships funded by the private sector, institutions and government. This may increase resources available for grants, bursaries and scholarships. Working together with private sector may also result in more workplace opportunities for students, such as co-ops, internships, or practicums. This would provide learners, particularly in occupational programs, with employment income related to their field of study and enhance their practical work skills. Working together with private and community organizations also provides opportunities to enhance students' knowledge and understanding of the labour market that would serve to improve their decisions related to programs of study.

Within government, opportunities exist to strengthen collaboration and improve policy alignment across departments through Cross-Ministry Initiatives. The Rural Development Initiative and the Leading and Learning Initiative are two key policy areas where Advanced Education plays a pivotal role. Other Cross-Ministry Initiatives with policy objectives that impact advanced education include the Alberta Children and Youth Initiative and the Aboriginal Policy Initiative.

Questions for Consideration:

1. What opportunities exist to stimulate greater private sector investment and involvement in Alberta's advanced education system?
2. Are there barriers preventing greater collaboration among the K-12 and the advanced education systems? Or among communities, school boards, and post-secondary institutions?

4 Key Questions

As mentioned in the introduction, the purpose of this document is to obtain stakeholder feedback on how to enhance the investment that society makes in Alberta's advanced education system. To help guide written submissions prepared in response to this document, key questions are identified below. Some of these questions directly relate to the issues identified in this document, while others address broader affordability-related issues.

1. Have all the relevant issues and opportunities been identified in this document? If not, are there other priority areas relating to affordability that require examination and consideration? Which issues are the most critical? Which opportunities are the most feasible?
2. Are the principles guiding affordability and the proposed policy objectives appropriate given the issues identified and the new dynamics of learners and learning opportunities?
3. Given the potential of affordability mechanisms to achieve a broad array of objectives for the adult learning system, what should be an appropriate balance between investing in learners to ensure accessibility, enhance affordability, and increase quality?
4. Reviewing affordability requires consideration along two key dimensions: students must have the resources they need while in school to meet expenditures; and upon graduation, students should not be overburdened with an unmanageable level of debt. Is the student assistance program currently configured to meet both objectives? Do current debt management measures accurately reflect a borrower's ability to repay? If not, what are the weaknesses in the current array of debt management measures?
5. Are there ways that Alberta Advanced Education can facilitate greater collaboration with other governments, provincial departments, the private sector, and community organizations to meet our Business Plan objectives of affordability, accessibility and quality?

5 Appendixes

5.1 Learner Profile and Enrolment Patterns

2003-04 Enrolments (most recent year available)		Full-Time			Part-Time			Total
		Female	Male	Total	Female	Male	Total	
Private University Colleges	Age 1 to 17	88	48	136	13	3	16	152
	Age 18 to 24	1,835	1,108	2,943	174	144	318	3,261
	Age 25 to 34	267	217	484	89	67	156	640
	Age 35 +	113	63	176	110	46	156	332
	Unknown	2	1	3	2	3	5	8
Subtotal	**All Age Groups**	**2,305**	**1,437**	**3,741**	**388**	**263**	**651**	**4,392**
Colleges & Technical Institutes	Age 1 to 17	970	761	1,766	450	587	1,041	2,807
	Age 18 to 24	23,897	26,786	50,858	8,866	7,416	16,358	67,216
	Age 25 to 34	7,551	11,917	19,503	8,605	6,900	15,542	35,045
	Age 35 +	5,138	5,512	10,676	10,918	8,122	19,107	29,783
	Unknown	63	352	418	719	2,493	3,253	3,671
Subtotal	**All Age Groups**	**37,619**	**45,327**	**83,220**	**29,557**	**25,516**	**55,298**	**138,518**
Universities	Age 1 to 17	949	699	1,648	121	55	176	1,824
	Age 18 to 24	26,579	20,916	47,503	7,760	4,155	11,951	59,454
	Age 25 to 34	7,236	7,045	14,285	8,481	5,363	13,884	28,169
	Age 35 +	2,971	1,984	4,959	9,235	4,405	13,675	18,634
	Unknown	1	1	2	4	2	6	8
Subtotal	**All Age Groups**	**37,736**	**30,645**	**68,397**	**25,600**	**13,980**	**39,689**	**108,086**
All Institutions		**77,660**	**77,409**	**155,358**	**55,545**	**39,759**	**95,638**	**250,996**

5.2 Student Financial Assistance: Definitions & Standards

1. *Eligibility:* Loan eligibility is determined by assessed need; whether costs outweigh resources. Learners are assessed according to their status (dependent, independent, married or single parent), student/family income and family size, and whether the program is designated under Alberta Student Financial Assistance at an accredited institution. Funding amounts vary according to student status, living situation (at home or away), program of study (tuition, fees, supplies, and books), and the number of weeks spent in study.

2. *Student Status Classifications:*
   - Single Dependent: Students pursuing advanced education within 4 years of leaving secondary school, have never been married or responsible for dependents, or have not been in the labour force full time for two years.
   - Single Independent: Does not meet criteria for single dependent student.
   - Married and Single Parents are classified separate from independent students.

3. *Residency:* To be eligible for student funding, a student must be a Canadian citizen, permanent resident (landed immigrant) or convention refugee. Students must have established residency in Alberta, even though they may be studying at an institution outside of Alberta. Dependent students must have parents currently residing in Alberta. Spouses of married students must also be residing in Alberta. Independent, married, and single parents must have resided in Alberta for 12 consecutive months excluding time spent in a post-secondary institution.

4. *Moderate Standard of Living:* Financial assistance to support living costs for learners is based on a moderate standard of living. Dependent learners who are attending a post-secondary institution in their hometown are expected to live with their parents, and are not provided with shelter costs. Single students living away from home are expected to share accommodation. Transportation costs are provided to cover public transit costs only, and food allowances are based on nutritional food basket costs. Base amounts are also provided to cover essential clothing, personal care, health care, and household supplies. Living costs are also provided to cover spouses of married student and any dependents.

5. *Minimum Student Contribution from Pre-Study Period:* Students are expected to work full time during their pre-study period (maximum of 4 months) and to accumulate a contribution for their studies. For a student with a 4 month pre-study period, a contribution of $1,350 is required by the provincial loan program. Parents of dependent students are also expected to contribute based on family income and size.

6. *Parental Spousal Contribution:* For students classified as dependent, weekly parental contributions are required and are included as resources. Parental contributions are calculated according to income and other financial assets, family size, and number of children attending post-secondary. Married students with a working spouse must also include spousal contributions as a required resource. Minimum spousal contributions are $750 per month (Alberta) and $900 per month (Federal).

7. *Part-Time Earnings*: Learners employed on a part-time basis during the study period must claim earnings as a resource. Alberta allows a $225 monthly exemption while the federal monthly exemption is $215. Graduate students who have received a paid assistanceship must also claim earnings as a resource, less a $200 exemption (Alberta).

5.3 Federal and Provincial Loans and Grants

Federal and Provincial Loans (effective August 1, 2005):

- Maximum federal amount is $210 per week per week of enrolment (or 60% of assessed CSL eligibility).
- The maximum provincial amount is $6,070 per semester, or $7,120 for dependent students required to move.

Federal Grants

- *Canada Study Grant for Disabled Students:* provides a maximum of $8,000 per year to cover additional educational costs, such as fees for tutor or readers, or technical assistance.
- *Canada Study Grant for Students with Dependents*: up to $3,120 for full-time students and $1,920 for part-time.
- *Canada Study Grant for Female Doctoral Students*: a maximum of $3,000 is available per year for up to 3 years of study for women in specific fields.
- *Canada Study Grant for High Need Part-Time Students*: Maximum of $600 per semester or $1,200 per year to cover tuition, books, travel and daycare.
- *Canadian Millennium Bursary*: provides up to $3,000 for students who have completed their first year of studies of a 4-year program.

Provincial Grants

- *Maintenance Grant:* the Alberta government provides Maintenance Grants up to $3,000 per semester to socially disadvantaged students who require additional assistance.
- *Skills Development Grant:* up to $10,000 per semester is available for Employment Insurance clients. Other eligible learners receiving funding based on monthly-assessed need.
- *Disability Grant:* A maximum of $1,000 per semester is available to help cover costs of assistive services or equipment required due to disability.
- *Alberta Opportunities Bursary*: issues up to $1,500 to undergraduate students in their first and secondary year of studies that have assessed need greater than $4,000.
- *Northern Student Supplement:* provides up to $1,500 per year for students in their first or second year of studies.
- *Labour Market Development Program:* offers three different grants to apprenticeships, students in short-term skills training, and upgrading programs. Other grants are available to support training in high demand occupations.
- *Alberta's Loan Relief Benefit (LRB) and Loan Remission*: work to ensure manageable debt levels upon graduation. The LRB provides up to $5,000 to first time, first year, students in full time studies. The Loan Remission program is geared to ensure qualified students do not

graduate with more than $7,140 per semester in total federal and provincial loans. The LRB and Remission programs only apply to provincial debt levels and are applied to students completing their first credential.

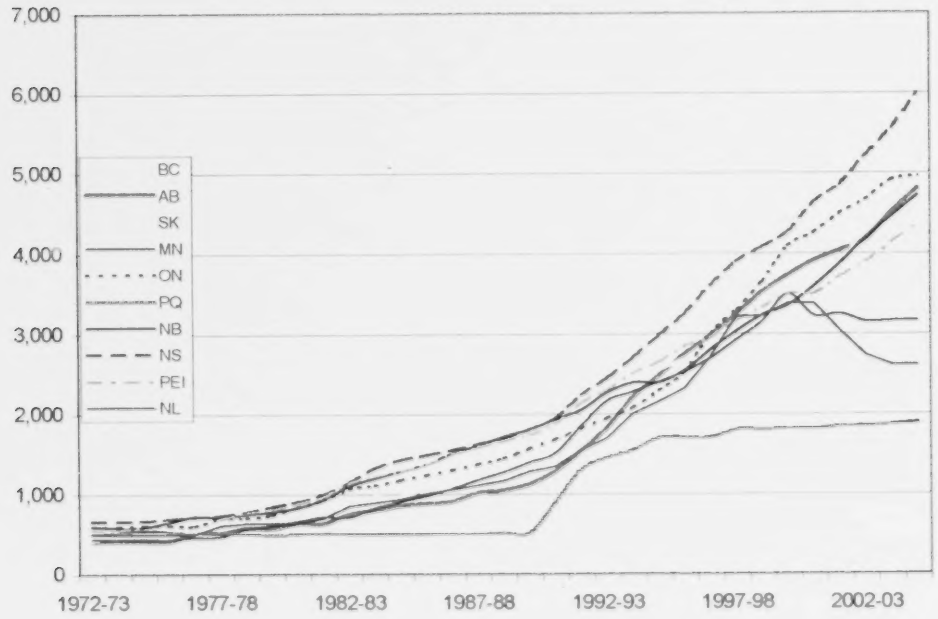
5.4 Tuition and Fees

Table 1: Tuition Fees Across Canada

	BC	AB	SK	MN	ON	PQ	NB	NS	PEI	NL	CDA
1994-95	2,434	2,475	2,544	2,393	2,286	1,704	2,390	2,975	2,647	2,150	2,221
1995-96	2,563	2,744	2,680	2,520	2,518	1,703	2,534	3,249	2,846	2,312	2,384
1996-97	2,577	2,975	2,726	2,689	2,992	1,705	2,795	3,597	2,948	2,701	2,648
1997-98	2,518	3,241	3,074	2,921	3,293	1,803	3,026	3,892	3,162	3,211	2,869
1998-99	2,525	3,519	3,279	3,149	3,640	1,803	3,225	4,074	3,327	3,216	3,064
1999-00	2,568	3,723	3,367	3,488	4,084	1,813	3,350	4,262	3,499	3,373	3,328
2000-01	2,592	3,907	3,668	3,219	4,256	1,818	3,585	4,631	3,499	3,373	3,447
2001-02	2,527	4,030	3,879	3,243	4,492	1,842	3,863	4,855	3,710	3,036	3,577
2002-03	3,176	4,165	4,286	3,144	4,665	1,851	4,186	5,214	3,891	2,729	3,749
2003-04	4,098	4,511	4,644	3,155	4,911	1,865	4,457	5,556	4,133	2,606	4,018
2004-05	4,735	4,804	4,894	3,160	4,960	1,890	4,719	5,984	4,374	2,606	4,172
% Change	94.5%	94.1%	92.4%	32.1%	117.0%	10.9%	97.4%	101.1%	65.2%	21.2%	87.8%

Source: Statistics Canada

Table 2: Historical Tuition Fee Increases Across Canada



5.5 Student Debt

Table 1: Debt Incidences

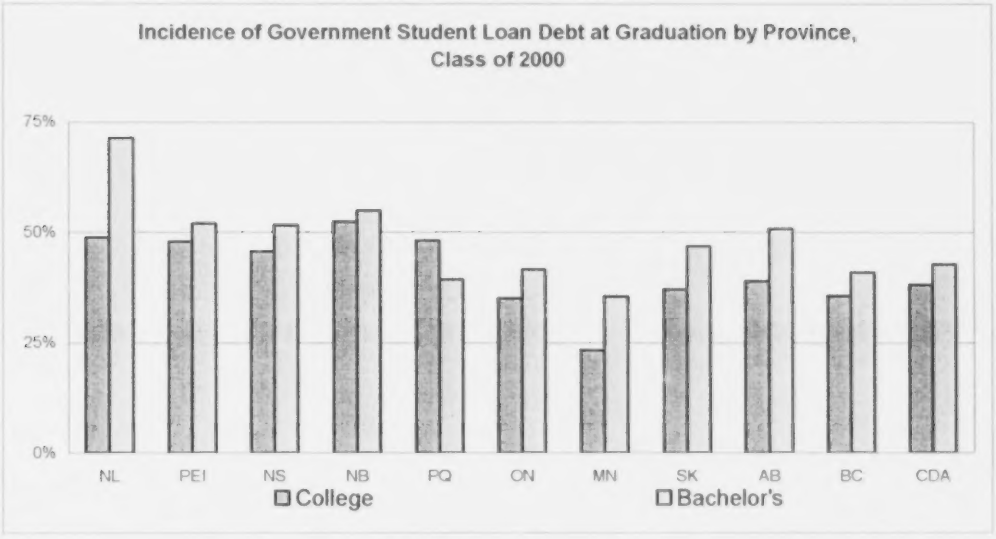
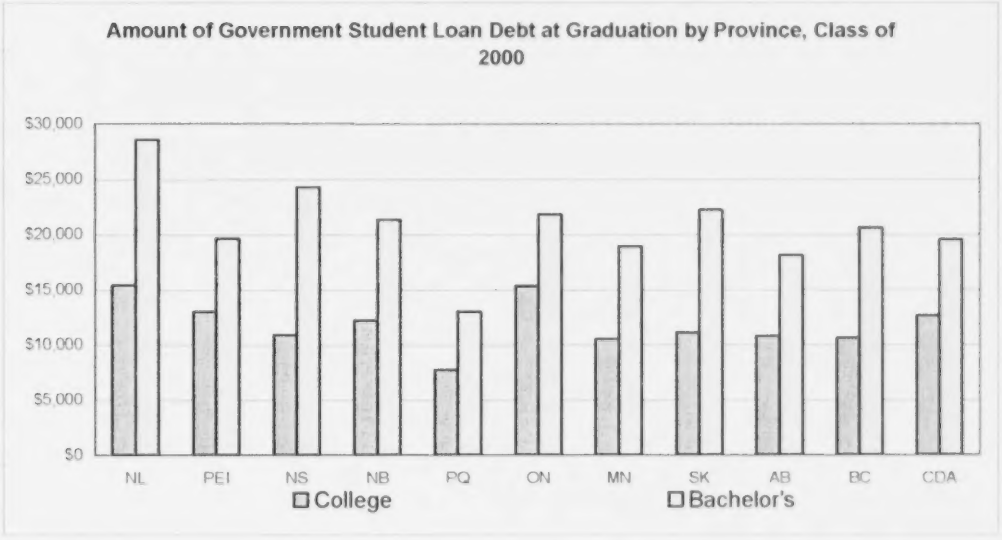


Table 2: Debt Levels



Source: National Graduate Survey Data, published in The Price of Knowledge, Canadian Millennium Foundation

5.6 Costs and Resources

Table 1: Student Income by Category

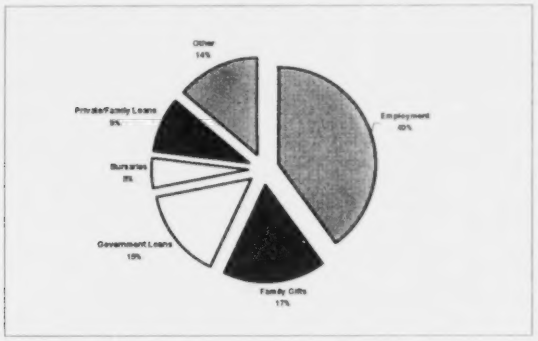
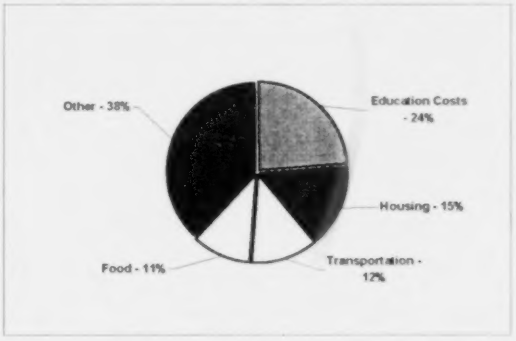
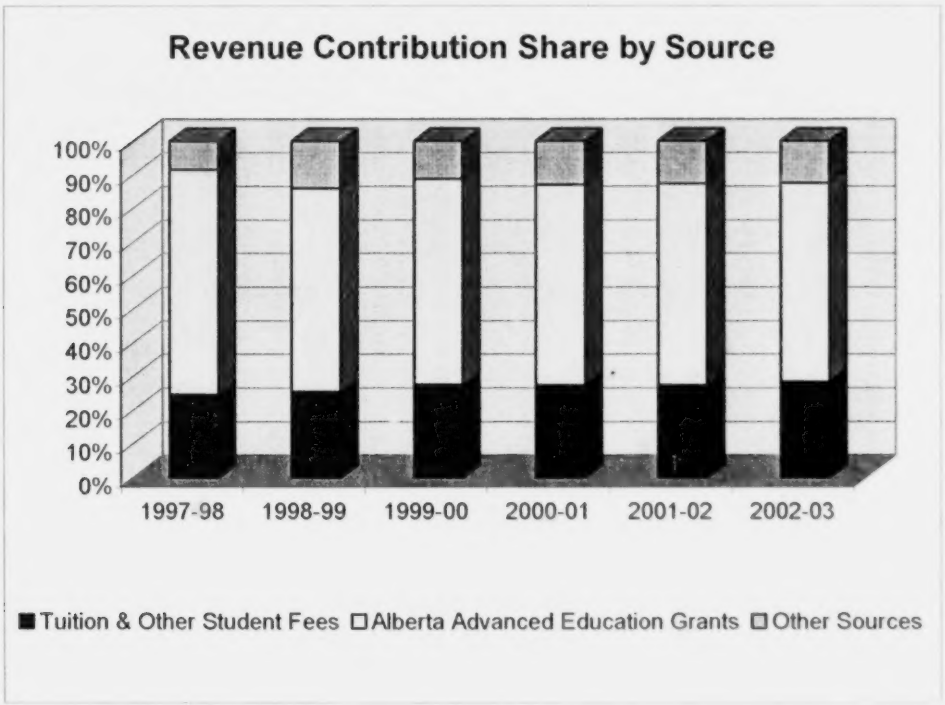


Table 2: Student Expenditures by Type



Source: Ekos Research, Making Ends Meet, published in The Price of Knowledge, Canadian Millennium Foundation

Table 3: Share of Revenue by Source



Source: Alberta Learning, Financial Information Reporting System

Table 4: Scholarship Funding

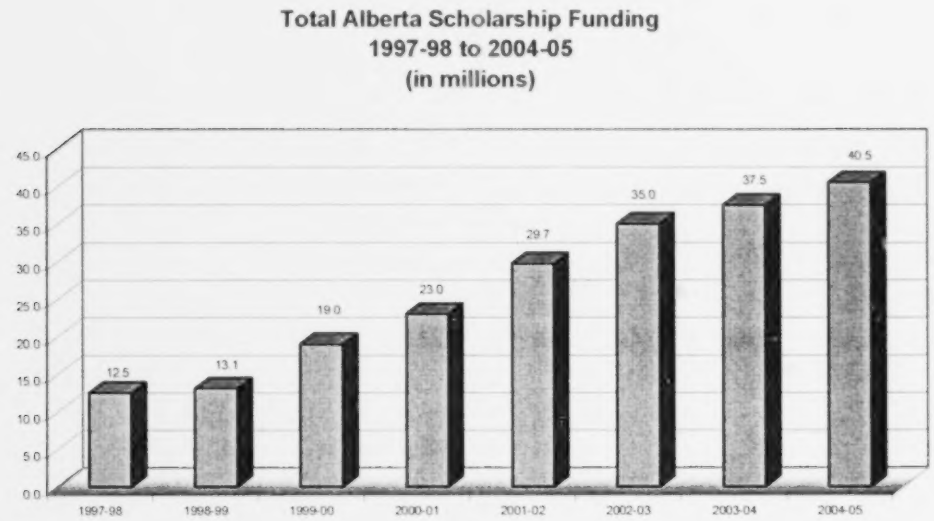


Table 5: Student Financial Assistance